

Period 8 2016/17

OneSource Financial Position

SERVICE	REVISED CONTROLLABLE NET BUDGET	YTD ACTUALS	YTD ENCUMBRANCES	ACTUALS + ENCUMBRANCES	FY PROJECTED OUTTURN	FY PROJECTED OUTTURN VARIANCE	REASON FOR FY PROJECTED OUTTURN VARIANCE
Finance oneSource	9,697,412	6,757,721	461,333	7,219,053	9,370,159	(327,253)	Forecasted underspend is due to a realignment of the savings target within the assurance section (due to be offset by assurances' 17/18 increase in savings target) and an updated staffing forecast within the finance section to reflect the latest developments regarding the restructure.
Business Services	1,542,527	658,176	58,555	716,731	1,260,890	(281,637)	Over-achievement of savings, held centrally to offset in year shortfalls in other areas and to contribute towards increase savings targets in future years.
Exchequer & Transactional Services	8,213,142	5,850,744	173,475	6,024,219	8,490,435	277,293	Period 8 forecasted budget deficit has reduced. This is due to vacancy management following the implementation of the transactional restructure. Residual pressure is mainly due to the transactional services restructure being delayed by the implementation of the one oracle project, non-sharing of council tax and benefits and Bexley's enforcement income target which will not be realised this financial year.
Legal & Governance	3,470,960	2,880,180	72,156	2,952,336	3,879,387	408,427	Forecasted pressure relates to over established posts within legal services, required to meet minimum level of service provision. Cost reduction and income generation efforts continue.
ICT Services	8,716,931	11,742,303	1,858,262	13,600,565	8,817,722	100,791	The support costs for CRM (Customer Relationship Management) system are currently unfunded. These have been found elsewhere within the budgets as the system is critical for both the councils. The system is used by both Newham and Havering Contact Centres to manage all customer enquiries both by telephone and online. This has to date created a significant budget pressure on ICT. We have now drafted a new support model and are currently working with the relevant service areas and finance to finalise arrangements.
Asset Management Services	2,533,927	3,296,814	160,128	3,456,942	2,465,976	(67,951)	Variance due to number of staff vacancies and additional recharge income in Health and Safety and Post Room.
Strategic & Operational HR	3,144,220	2,228,288	29,337	2,257,625	3,145,398	1,178	Minor variance.
TOTAL	37,319,119	33,414,225	2,813,247	36,227,471	37,429,966	110,847	Havering's forecasted pressure is largely due to an inability to achieve savings targets through sharing their council tax and benefits service, offset in part by additional recharge income relating to the post room. Much of Newham's forecasted pressure relates to the expected overspend within legal services, which is more than mitigated by an overachievement of savings elsewhere and their share of enforcement income. Bexley's forecasted enforcement pressure of £108k due to a lack of throughput of cases is expected to be offset in part by an improvement in the position relating to restructures.

NOTES

Budgets and forecasts shown above relate to controllable budgets only

Apportionment is based on 16/17 Joint Cttee budget % and may be recalculated to reflect subsequent budget adjustments

The reported variance excludes the oneSource reserve position funded by the 14/15 and 15/16 underspend

Havering

Bexley

Newham

46,206

71,217

(6,576)